

# UNIT 45 PREPARING AWARDS

*September 2002*

*(FAC 2001-09)*

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<b>Duty</b>	Prepare the contract/purchase order and document award.
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<b>Conditions</b>	Given acquisition planning, the solicitation (if any), offer(s)/quotation(s), technical analysis, cost/price analysis, and selection of the apparent successful offeror/quoter.
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<b>Overall Standard</b>	The contractual document is properly prepared and includes all applicable elements of the offer/quote. Document the acquisition considering FAR, agency, and contracting activity requirements, as well as good business practice.
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## **Part A: Awards Using Simplified Acquisition Procedures**

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<b>Sub-Duty</b>	Prepare purchase orders and document award.
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<b>Sub-Duty Standard</b>	The purchase order is properly prepared and includes all elements for a legal offer. Keep documentation to a minimum. When non-price factors are considered, document the file to support the final award decision. If only one source is solicited, include a note explaining the absence of competition.
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## **Part B: Awards Using Other Than Simplified Acquisition Procedures**

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<b>Sub-Duty</b>	Prepare contract and document the recommendation for award.
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<b>Sub-Duty Standard</b>	The contract is properly prepared and includes all required elements. Documentation of the award provides sufficient detail to allow accurate reconstruction of the acquisition for immediate review and future reference.
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## Policies

<i>FAR</i>	<i>Agency Suppl.</i>	<i>Subject</i>
2.101		Definition, including “purchase order”.
3.104		Violations or possible violations of procurement integrity.
7.306		Evaluation of contractor vs. Government performance.
13.004		Legal affect of quotations.
13.106-3		Award and documentation of simplified acquisitions.
13.302		Purchase orders.
14.103-2		Limitations on sealed bidding awards.
14.408-2		Responsible bidder – reasonableness of price.
14.201-1(c)		Solicitation elements not included in the contract.
14.404-1(c)		Cancellation of invitations after opening.
14.404-2(l)		Documenting bid rejections.
14.408-1		General award requirements sealed bidding.
15.305(b)		Rejecting all offers.
15.308		Source selection decision.
15.504		Award to successful offeror.
32.702		Contract funding policy.
32.703		Contract funding requirements.
52.214-10		Contract award – sealed bidding.
52.215-1(f)		Contract award.
52.252-2		Clauses incorporated by reference.
52.252-4		Alterations in contract.
52.252-6		Authorized deviations in clauses.

## Other KSA's

1. Knowledge of the nature and elements of enforceable contracts, including requirements with respect to capacity, offer, acceptance, consideration, certainty of terms, and lawful purpose.
2. Knowledge of rules and precedents in contract interpretation.
3. Skill at drafting contracts that are likely to be interpreted as the Government intends them to be interpreted under those rules and precedents.
4. Skill at communicating and exercising leadership in preparing and recommending awards.
5. Ability to conscientiously attend to the details involved in contract award.

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6. Ability to write a clear and concise contract.
7. Ability to facilitate cooperation and commitment to award of contract designed to encourage effective and efficient contract performance.
8. Ability to make sound, well-informed business decisions related to contract award.
9. Ability to maintain the honesty and integrity of the acquisition process.

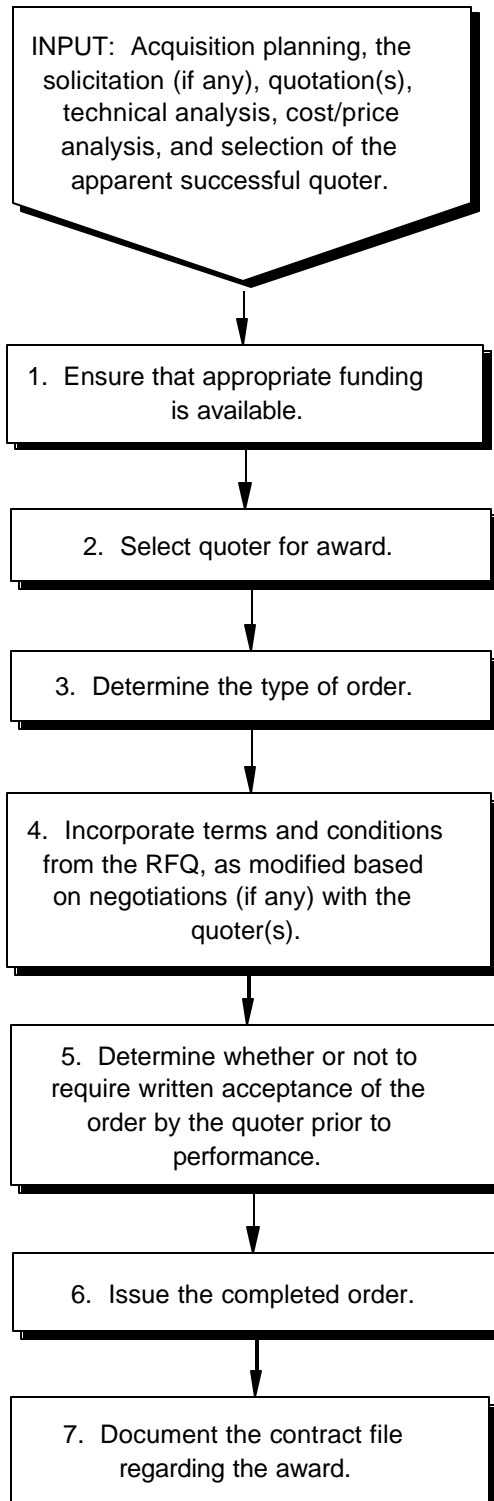
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**Other Policies and References (Annotate As Necessary):**

# UNIT 45 PREPARING AWARDS

## Part A: Awards Using Simplified Acquisition Procedures

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# UNIT 45 PREPARING AWARDS

## Part A: Awards Using Simplified Acquisition Procedures

*September 2002*

Tasks	Related Standards
1. Ensure that appropriate funding is available.	Before executing any order: <ul style="list-style-type: none"><li>• Obtain written assurance from responsible fiscal authority that adequate funds are available; or</li><li>• Expressly condition the order upon availability of funds.</li></ul>
2. Select quoter for award.	Make the decision based on an evaluation of price and other factors identified in the solicitation.  Before making award, the Contracting Officer must determine that the proposed price is fair and reasonable.
3. Determine the type of order.	Alternatives include: <ul style="list-style-type: none"><li>• Purchase order (electronic or paper);</li><li>• Government commercial purchase card (within authorized dollar limits);</li><li>• Call under a blanket purchase agreement (BPA);</li><li>• Standard Form 44, Purchase Order – Invoice – Voucher for on-the-spot over-the-counter purchases (within authorized dollar limits).</li></ul>

# UNIT 45 PREPARING AWARDS

## Part A: Awards Using Simplified Acquisition Procedures

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Tasks	Related Standards
4. Incorporate terms and conditions from the RFQ, as modified based on negotiations (if any) with the quoter(s).	<p>Prior to making award, obtain from the contractor any outstanding certificates or representations required before award.</p> <p>Formulate the order to incorporate relevant elements of the request for quotations (RFQ), any amendments thereto, and the quotation, as negotiated, including:</p> <ul style="list-style-type: none"><li>• A clear description of the required supply or service;</li><li>• A definite delivery date or period of performance; and</li><li>• Price. Simplified acquisitions are normally fixed-price. An unpriced order may be used when:<ul style="list-style-type: none"><li>- It is impractical to obtain pricing in advance of issuance of the purchase order; and</li><li>- The purchase is for:<ul style="list-style-type: none"><li>? Repairs to equipment requiring disassembly to determine the nature and extent of repairs;</li><li>? Material available from only one source and for which cost cannot readily be established; or</li><li>? Supplies or services for which prices are known to be competitive, but exact prices are not known (e.g., miscellaneous repair parts or maintenance agreements).</li></ul></li><li>- The order includes a realistic monetary limitation, either for each line item or for the total order, which is an obligation subject to adjustment when the firm price is established.</li></ul></li></ul>

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## Part A: Awards Using Simplified Acquisition Procedures

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Tasks	Related Standards
5. Determine whether or not to require written acceptance of the order by the quoter prior to performance.	<p>The contractor normally indicates order acceptance by furnishing the supplies or services ordered or by proceeding with the work to the point where substantial performance has occurred.</p> <p>However, the order may require written contractor acceptance, when appropriate. For example, consider requiring written acceptance when:</p> <ul style="list-style-type: none"><li>• Contractor willingness to accept the order is in doubt; or</li><li>• Acceptance is necessary to ensure the contractor's compliance with order requirements.</li></ul> <p>A requirement for acceptance is normally accomplished using a notice, typed or stamped on the face of the purchase order. The notice should specify a deadline for written acceptance.</p>
6. Issue the completed order.	<p>Depending on the requirement, type of order, and contracting activity requirements, it may be issued electronically, orally, orally with written confirmation, or on paper.</p>

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## Part A: Awards Using Simplified Acquisition Procedures

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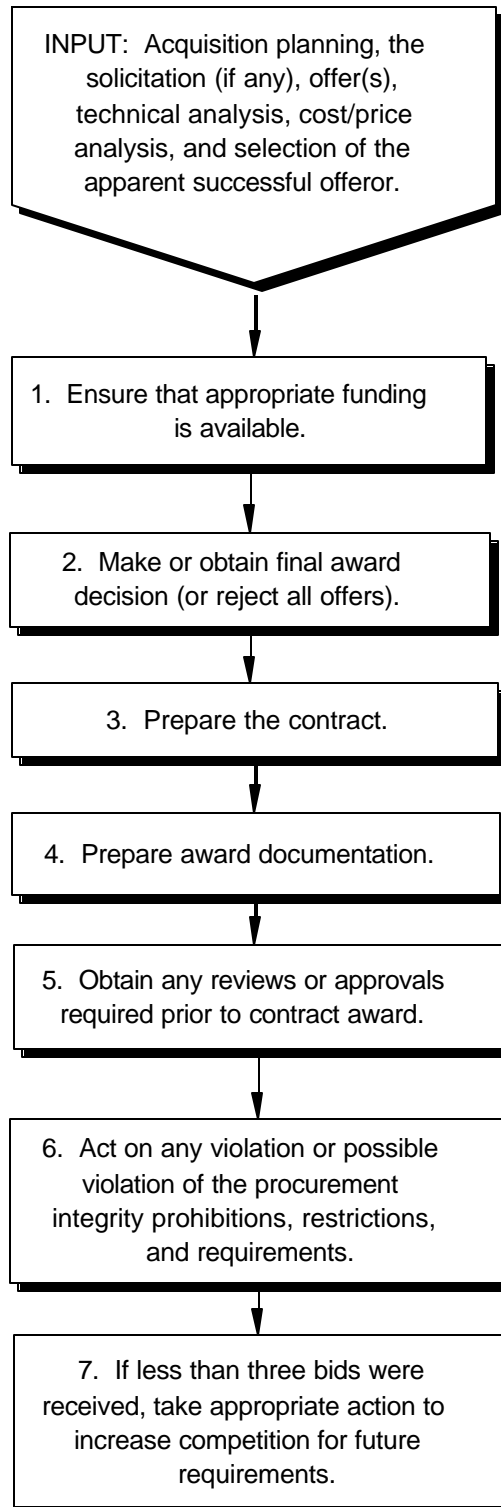
Tasks	Related Standards
7. Document the contract file regarding the award.	<p>Keep documentation to a minimum. For orders exceeding the micro-purchase threshold:</p> <ul style="list-style-type: none"><li>• Document price reasonableness using competitive quotes or a price analysis describing another basis for pricing;</li><li>• If the quotes required the acquisition of an unreasonable minimum order price or quantity, document actions taken with the requiring activity to confirm or alter the requirement;</li><li>• When using an oral solicitation establish and maintain records of oral price quotations in order to reflect clearly the propriety of placing the order at the price paid with the supplier concerned. In most cases, this will include:<ul style="list-style-type: none"><li>- The names of the vendors contacted,</li><li>- Price(s) quoted by each; and</li><li>- Other terms and conditions quoted by each;</li></ul></li><li>• When using a written solicitation, document prices, delivery, references to printed price lists used, the supplier or suppliers contacted, and other pertinent data;</li><li>• Explain the absence of competition if only one source was solicited and the acquisition does not exceed the simplified acquisition threshold (does not apply to an acquisition of utility services available from only one source);</li><li>• Explain the award decision if other than price-related factors were considered in selecting the contractor; and</li><li>• Document other significant correspondence, such as notifications provided unsuccessful quoters.</li></ul>



# UNIT 45 PREPARING AWARDS

## Part B: Awards Using Other Than Simplified Acquisition Procedures

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# UNIT 45 PREPARING AWARDS

## Part B: Awards Using Other Than Simplified Acquisition Procedures

*September 2002*

Tasks	Related Standards
1. Ensure that appropriate funding is available.	<p>Before executing any contract, match the type and availability of funding with the contract obligation:</p> <ul style="list-style-type: none"><li>• Obtain written assurance from responsible fiscal authority that adequate funds are available; or</li><li>• Expressly condition the order upon availability of funds.</li></ul> <p>If the contract is conditioned upon the availability of funds, prohibit acceptance of any deliverable until the contracting officer gives written notice to the contractor that funds are available.</p> <p>If additional funding is required and the requiring activity has no additional funds, then consider:</p> <ul style="list-style-type: none"><li>• Partial award;</li><li>• Canceling or modifying the solicitation; and/or</li><li>• Resoliciting.</li></ul>

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## Part B: Awards Using Other Than Simplified Acquisition Procedures

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Tasks	Related Standards
2. Make or obtain final award decision (or reject all offers).	<p>Never award a contract unless all requirements of law, executive orders, regulations, and all other applicable procedures, including clearances and approvals, have been met.</p> <p>When using sealed bidding procedures:</p> <ul style="list-style-type: none"><li>• Make a contract award to the responsible bidder whose bid, conforming to the invitation, will be most advantageous to the Government, considering only price and the price-related factors included in the invitation.</li><li>• All bids may be rejected for one of the compelling reasons identified in FAR 14.404-1</li></ul> <p>When using negotiated acquisition procedures:</p> <ul style="list-style-type: none"><li>• The source selection authority's (SSA) decision must be based on an assessment of proposals against all source selection criteria in the solicitation. While the SSA may use reports and analyses prepared by others, the source selection decision shall represent the SSA's independent judgment.</li><li>• The SSA may reject all proposals received in response to a solicitation, if doing so is in the best interest of the Government.</li></ul>

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## Part B: Awards Using Other Than Simplified Acquisition Procedures

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Tasks	Related Standards
3. Prepare the contract.	<p>Obtain from the contractor any outstanding certificates or representations required before award.</p> <p>Formulate bilateral contract to include relevant elements of the solicitation, any amendments thereto, the bid/proposal, and the results of any negotiation or final proposal revision, including:</p> <ul style="list-style-type: none"><li>• A clear description of the required supply or service;</li><li>• A definite delivery date or period of performance; and</li><li>• The pricing arrangement.</li></ul> <p>If the award document includes information that is different than the latest signed proposal, as amended by the offeror's written correspondence, include the appropriate contractor's agreement statement, the offeror representative's signature, and the Contracting Officer's signature;</p> <p>When an award is made to an offeror for less than all of the items that may be awarded and additional items are being withheld for subsequent award, a notice that the Government may make subsequent awards on those additional items within the proposal acceptance period.</p> <p>Assure that the contract includes the appropriate Government acceptance statement, as well as, the Contracting Officer's name, signature, and date.</p> <p>Do not include in the contract elements of the solicitation related exclusively to preaward requirements, such as representation and certification requirements and offer evaluation criteria. However, retain all applicable representations and certifications in the contract file.</p>

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Tasks	Related Standards
4. Prepare award documentation.	<p>In sealed bidding:</p> <ul style="list-style-type: none"><li>• Document compliance with 14.103-2 in the contract file, including the requirement for award to the responsible bidder whose bid is:<ul style="list-style-type: none"><li>- Responsive to the terms of the invitation for bids; and</li><li>- Most advantageous to the Government, considering only price and the price related factors included in the invitation;</li></ul></li><li>• Either state that the accepted bid was the lowest bid received, or list all lower bids with reasons for their rejection in sufficient detail to justify the award; and</li><li>• When an award is made after receipt of equal low bids, document how the tie was broken.</li></ul> <p>When awarding through FAR Part 15.3 source selection procedures, ensure that the documentation includes:</p> <ul style="list-style-type: none"><li>• Include the rationale for any business judgments and tradeoffs made or relied on by the SSA, including benefits associated with additional costs. The documentation need not quantify the tradeoffs that led to the decision.</li><li>• The principle elements of the negotiated agreement (e.g., a price negotiation memorandum).</li></ul>

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Tasks	Related Standards
5. Obtain any reviews or approvals required prior to contract award.	<p>Obtain any approvals required by agency or contracting activity procedures, such as:</p> <ul style="list-style-type: none"><li>• Contract clearance (if any)</li><li>• Legal review;</li><li>• Requiring activity review; or.</li><li>• Other required approvals.</li></ul> <p>Satisfactorily:</p> <ul style="list-style-type: none"><li>• Answer all questions raised;</li><li>• Correct the contract where necessary; and</li><li>• If necessary, augment file documentation.</li></ul> <p>Do not award until all required reviews and approvals have been obtained.</p>
6. Act on any violation or possible violation of the procurement integrity prohibitions, restrictions, and requirements.	<p>When contracting receives or obtains information of a violation of the procurement integrity prohibitions, restrictions, and requirements in FAR 3.104-4:</p> <ul style="list-style-type: none"><li>• Determine whether the violation or potential violation impacts the procurement.</li><li>• Report the violation or potential violation.</li><li>• Take any action directed by the HCA or designee.</li></ul>
7. If less than three bids were received, take appropriate action to increase competition for future requirements.	<p>In sealed bidding, if less than three bids were received:</p> <ul style="list-style-type: none"><li>• Make award notwithstanding the limited number of bids;</li><li>• Ascertain the reasons for the small number of responses;</li><li>• Initiate, if appropriate, corrective action to increase competition in future solicitations for the same or similar items; and</li><li>• Document the action taken in the contract file.</li></ul>